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For DCI's Possible Use at Senior Staff Meeting, Monday, 4 November 1957

**SUBJECT: Handling of Cash**

As you know, one of the agency's gravest responsibilities is the proper handling of the Confidential Funds granted us by Congress. The Inspector General has recently completed a study on the handling of cash in the agency.

In brief, this study indicates that the handling of cash as directed by the Monetary Branch of the Finance Division of the Office of the Comptroller is soundly conceived, well-organized and carefully supervised, with good standards of security. In addition, the Audit Staff makes periodic unannounced audits. As you know, we have imprest funds for the handling of small cash transactions, and here good care and judgment is needed. You should also be aware of the fact that from these funds in the past three years about one-third of the cash losses, which have not been high, were nevertheless chargeable to and paid by the employee.

On subsidy projects the responsibility for the handling of the money rests squarely on the operating components. Here is a case where the returns for the money expended must be appraised objectively. Here also, I would urge the supervisors and the case officers to think in terms of cost.

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In all of these areas it is vitally important that all

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supervisors insure that the greatest care is exercised to guarantee that the money is expended in the way that it should be. Finally, I urge all of you to insure that requests for waivers of accountings be held to an absolute minimum.